

SEPTEMBER 2001 TAX FACTS

SUMMARY OF GENERAL FUND REVENUES

	<u>September 2001</u>	Fiscal Year <u>Total</u>
Individual Income Tax		
Net Collections	\$196,740,464	\$503,817,390
Percent Change	(9.0%)	(2.4%)
Corporate Income Tax		
Net Collections	\$114,989,556	\$139,480,625
Percent Change	(23.9%)	(21.9%)
Transaction Privilege, Severance & Use Taxes		
Net Collections	\$243,614,473	\$740,344,189
Change	(0.2%)	0.2%
Total Big Three Tax Types		
Net Collections	\$555,344,493	\$1,383,642,204
Percent Change	(9.2%)	(3.5%)

TAX FACTS

September 2001

INDIVIDUAL INCOME TAX

Individual Income Tax Receipts

	September 2001	September 2000	% Change
Gross Collections	\$76,443,612	\$80,345,736	(4.9)
Withholding	169,294,507	176,490,910	(4.1)
Refunds	(13,841,273)	(7,485,367)	84.9
Urban Revenue Sharing	(35,156,381)	(33,037,720)	6.4
Net Collections	\$196,740,464	\$216,313,558	(9.0)
	Fiscal Year Total (01/02)	Fiscal Year Total (00/01)	
Gross Collections	\$100,519,100	\$105,769,786	(5.0)
Withholding	559,700,886	553,279,424	1.2
Refunds	(50,933,463)	(43,814,152)	16.2
Urban Revenue Sharing	(105,469,143)	(99,113,160)	6.4
Net Collections	\$503,817,390	\$516,121,899	(2.4)

Included in the refund amounts above are refunds relating to the alternative fuel vehicle income tax credit. In September \$2,355,677 in alternative fuel vehicle credits were processed. After offsetting \$605,594 in tax liability, refunds for this credit totaled \$1,750,083. This amount does not include withholding and estimated payments returned to taxpayers because their liability was covered by the alternative fuel vehicle credit. Additional refunds were paid out of corporate income tax.

Individual Income Tax Document Count

In calendar year 2000, the following individual income tax returns were filed:

	140X	140	140NR	140PY	140NPR	141	140A	140PTC	140EZ	OTHER	TOTAL
#	38,571	1,334,940	74,284	107,508	57	41,476	332,144	15,867	185,561	1	2,130,409
%	1.8	62.7	3.5	5.0	0.0	1.9	15.6	0.7	8.7	0.0	

In calendar year 2001 the number of returns filed, and processed, are as follows:

	140X	140	140NR	140PY	140NPR	141	140A	140PTC	140EZ	OTHER	TOTAL
#	37,638	1,373,566	67,742	107,042	10	43,744	311,633	14,816	180,635	0	2,136,826
%	1.8	64.3	3.2	5.0	0.0	2.0	14.6	0.7	8.5	0.0	

The 2,136,826 returns filed through September 2001 compares to 2,062,644 returns filed during the same period of time in 2000 for an annual increase of 3.6%. This count represents multiple tax years. For tax year 2000 filed in 2001, 2,062,157 returns have been filed, this represents a 3.8% increase from 1999 returns filed in 2000 during the same period of time.

Year-Over-Year Comparison of Resident Taxpayers

Comparisons of Federal Adjusted Gross Income (FAGI) and tax liability growth between two tax years can be made from taxpayers who have filed for both calendar years to be compared and who have indicated the same marital status on the tax returns for both years. The Department of Revenue has received 1,435,228 returns in calendar year 2001 for tax year 2000 from filers who also have returns on record from calendar year 1999 with the same marital status. On average, these filers experienced a 6.5% growth in FAGI and an 7.8% increase in tax liability. More specifically, 32.8% of these filers experienced a decrease in tax liability; on average a decrease of 42.0% with a

corresponding average decrease in FAGI of 23.9%. Filers showing an increase in tax liability totaled 818,221 or 57.0%, with an average FAGI increase of 31.1% and an average tax liability increase of 57.9%.

Average Individual Income Tax Refund

Beginning with calendar year 2001 taxpayers that opt to file their returns electronically were given the option to direct deposit their refund. The figures shown below for calendar year 2001 include direct deposits.

	Average	Number
2001 CYTD	\$635.58	1,331,875
2000 CYTD	\$545.87	1,311,234
% Change	16.4%	1.6%

"New" Filers in Calendar Year 2001

Table 1 attached to this report, presents the number of "new" returns filed in calendar year 2001. "New" returns are for those filers who did not file in the previous calendar year. Therefore, these filers could be new full-year residents of Arizona, or they may be newly required to file an individual income tax return. (The filer may not have earned enough income in the previous year to file, such as a recent graduate just entering the work force.) The table indicates that 236,082 "new" returns have been filed thus far in 2001, representing approximately 282,576 persons, not including dependents. The average Federal Adjusted Gross Income for these 236,082 returns is \$19,411, with an average tax liability of \$338. The right half of this table presents characteristics of the filers represented on the returns. Of all "new" returns, 18.7% had a married filing joint filing status, 7.5% claimed a 65 And Over Exemption and 31.5% claimed dependents.

Individual Income Tax Estimated Payments

Beginning in 1990, individuals are required to make estimated payments to Arizona if their Arizona gross income will exceed \$75,000, in an amount which will represent unpaid tax liability at the end of the taxpayer's tax year. The total estimated payments on the 140ES for tax year 1999 was \$344.6 million, for an average of \$1,684. A total additional \$57.2 million in estimated payments was received as refunds on the 1998 tax returns applied to 1999 estimates, for an average of \$1,712. Estimated payments received through September for tax year 2001 were as follows:

9/01	140ES payment	\$46,851,403	Cumulative	\$174,937,140
9/00	140ES payment	\$20,113,958	Cumulative	\$146,801,544
	Percent change	132.9%		19.2%
9/01	Average payment	\$1,162	Cumulative	\$1,177
9/00	Average payment	\$936	Cumulative	\$1,150
	Percent change	24.1%		2.3%
9/01	Applied refund	\$3,887,019	Cumulative	\$38,706,288
9/00	Applied refund	\$3,634,954	Cumulative	\$36,514,970
	Percent change	6.9%		6.0%
Total 9/01		\$50,738,422	Cumulative	\$213,643,428
Total 9/00		\$23,748,912	Cumulative	\$183,316,514
	Percent change	113.6%		16.5%

Withholdig

Withholding payments are received from employers and applied towards a specific quarter for the designated year. Information is gathered for 15 months for any given quarter. For example, from January 2000 through March 2001, \$544,546,230 was received for the first quarter of 2000. The latest complete quarter (15 months of information has been compiled) is the third quarter of 2000, which shows a growth rate of 6.7% in withholding payments over the third quarter of 1999. Growth in quarters for which information is still being gathered is as follows:

4 th Quarter 2000	5.7%	2 nd Quarter 2001	3.7%
1 st Quarter 2001	3.5%	3 rd Quarter 2001	5.0%

The comparisons made above were against the same number of months of collections in the previous year. In other words, the third month of information available for the third quarter of 2001 was compared against the third month of collections for the third quarter of 2000. Current choices for withholding are 0%, 10%, 17%, 20%, 22%, 28% or 32% as the percent of federal taxes to be withheld for state taxes. The 0% option is only available to those individuals who had no liability in the prior tax year and expect no tax liability for the current year.

Property Tax Credits

Arizona allows a refundable property tax credit if you are age 65 or older or if you received Title 16, SSI payments. Additionally, your household income must be below \$3,751 if you live alone, or \$5,501 if you live with another person, to qualify for this credit. The maximum credit is \$502.

	Number	Amount	Average
Calendar Year 2001	14,532	\$4,632,846	\$318.80
Calendar Year 2000	15,843	\$4,980,030	\$314.34
% Change	(8.3%)	(7.0%)	1.4%

Clean Elections

As a result of the November 1998 voter approval of the Citizens Clean Elections, Arizona's income taxpayers can make a donation to the Citizens Clean Elections Commission through an income tax check-off or through a voluntary donation. Since the voter approval was not validated by the Federal Elections Commission until mid 1999, the 1998 tax forms did not carry these options. For tax year 1999, filed in 2000 and later, these options are available.

	September 2001	Year to Date
Check Off	\$18,974	\$2,279,423
Voluntary Donation	\$429	\$43,510
Number of Returns	2,449	309,969

Contributions on the Individual Income Tax Return

Through September 2001, individual income tax return filers have made the following contributions:

	Number	Amount	Average
Wildlife	10,538	\$166,493	\$15.80
Child Abuse	12,176	\$194,491	\$15.97
Special Olympics	5,650	\$79,601	\$14.09
Neighbors Helping	3,279	\$37,910	\$11.56
AID to Education	460	\$23,806	\$51.75
Domestic Violence Shelter	8,708	\$136,995	\$15.73
Democratic Party	678	\$13,559	\$20.00
Republican Party	515	\$14,198	\$27.57
Libertarian Party	98	\$2,091	\$21.34
Reform Party	3	\$35	\$11.67
Green Party	184	\$2,488	\$13.52
Natural Law	8	\$151	\$18.88

CORPORATE INCOME TAX

Corporate Income Tax Receipts

	September 2001	September 2000	% Change
Gross Collections	\$124,763,711	\$158,486,999	(21.3%)
Refunds	(\$9,774,154)	(\$7,349,247)	33.0%
Net Collections	\$114,989,556	\$151,137,752	(23.9%)

	Fiscal Year Total (01/02)	Fiscal Year Total (00/01)	% Change
Gross Collections	\$163,180,520	\$198,536,116	(17.8%)
Refunds	(\$23,699,895)	(\$19,924,310)	18.9%
Net Collections	\$139,480,625	\$178,611,806	(21.9%)

Included in the refund amounts shown above are refunds for the alternative fuel vehicle credit program. In September, \$0.5 million in corporate alternative fuel vehicle refunds was paid out; for the fiscal year, the total is \$1.9 million.

Corporate Estimated Payments

Corporations are required to file estimated tax payments throughout the year only if (1) their Arizona tax liability exceeds \$1,000 and (2) they are required to file federal estimated tax payments.

September 2001	\$116,492,065	Calendar Year Total	\$338,859,993
September 2000	\$141,513,914	Calendar Year Total	\$405,155,017
% Change	(17.7%)	% Change	(16.4%)

All corporations with an income tax liability of \$20,000 or greater are required to make their estimated tax payments through electronic funds transfer (eft). The table below shows the number of these eft estimated payments, by size of payment, for September 2001 and for the fiscal year.

Size of Payment ➔	Less than \$50,000	\$50,000 up to \$100,000	\$100,000 up to \$500,000	\$500,000 up to \$1,000,000	\$1,000,000 up to \$10,000,000	\$10,000,000 and more	Total	% chg
September 2001	448	60	80	15	9	2	614	(16.2)
September 2000	529	91	82	13	17	1	733	
CY 2001	2,230	255	302	55	37	2	2,881	(8.2)
CY 2000	2,352	333	341	55	57	1	3,139	

Corporate Refunds

Corporate refunds paid in any state fiscal year are for a mixture of corporate fiscal years. The table below presents the percent of refunds paid in FY 00/01 by corporate fiscal year. For example, in FY 00/01, 9.7% of the refund dollars paid were for corporate fiscal years ending in 1996 or before. The percentages are for refunds paid through the fiscal year.

Corporate Fiscal Year-End:	96 & Prior	97	98	99	00	01
FY 00/01	12.5%	5.9%	3.0%	65.0%	13.4%	0.1%
Corporate Fiscal Year-End:	97 & Prior	96	99	00	01	02
FY 01/02	23.2%	7.7%	7.2%	58.0%	4.0%	0.0%

The corporate refunds shown above are those refunds for which a check is mailed to the corporation. Sometimes corporations choose to apply their refund as an estimated payment. The following table present information on refunds applied as estimated payments in the most recent month and for the calendar year.

September 2001	\$3,523,987	Calendar Year Total	\$40,347,283
September 2000	\$9,794,312	Calendar Year Total	\$41,603,956
% Change	(64.0%)	% Change	(3.0%)

Corporate Income Tax Document Count

The Arizona Department of Revenue received 95,415 corporate returns showing a fiscal year-end of 1999. The type of return received is indicated below:

	120 X (amended)	120 (regular)	120S (S corp)	99T (exempt org.)	120 A (short form)
#	352	45,142	46,163	342	6,544
%	0.4	54.6	44.6	0.3	6.6

Through September 2001, 82,853 documents have been received for a fiscal year-end of 2000, distributed as follows:

	120 X (amended)	120 (regular)	120S (S corp)	99T (exempt org.)	120 A (short form)
#	204	31,767	41,483	247	9,152
%	0.2	38.3	50.1	0.3	11.0

Urban Revenue Sharing Returned to Cities/Towns

Incorporated cities and towns receive a share of net individual and corporate income tax collections, called Urban Revenue Sharing. The amount of money to be distributed is 15.0% of net income tax collections two years earlier. For example, the money being distributed in Fiscal Year 2001/02 is based on net income tax collections in Fiscal Year 1999/2000. Amounts returned for September 2001 are shown on Table 2, at the end of this report.

TRANSACTION PRIVILEGE, SEVERANCE AND USE TAXES

Transaction Privilege, Severance and Use Tax Receipts

The Arizona transaction privilege and severance tax consists of many categories of tax. These categories include retail, contracting, amusements, restaurants and bars, hotel/motel and mining severance tax. The collections for all such categories are divided, per statute, into two parts. One part is called distribution base; the other part is known as non shared. The division of collections into these two parts varies from category to category. For example, retail sales tax is 40% distribution base and 60% non shared. In contrast, contracting is 20% distribution base and 80% non shared. Use tax is 100% non shared.

At the close of each month, the computer aggregates transaction privilege and severance tax collections by category and calculates total distribution base and non shared portions. The amount shown as "Use Tax" in the table below includes use tax, use inventory tax and jet fuel use tax. The "Education Tax" below represents a new category beginning with June 2001 collections. This category is in accordance with prop 301 resulting in an additional 0.6% education tax being added to most business classifications. The "Other Revenue" category includes county excise, road, jail and hospital taxes and various other excise taxes, such as the 911 excise tax.

	September 2001	September 2000	% change
Distribution Base	\$99,504,678	\$99,260,596	0.2
Non shared	194,830,817	193,535,108	0.7
Use Tax	14,464,493	16,450,450	(12.1)
Education Tax	36,318,442	0	N/A
Other Revenues	41,602,404	38,632,140	7.7
Total Collections	\$386,720,834	347,878,294	11.2

	Fiscal Year Total (01/02)	Fiscal Year Total (00/01)	% change
Distribution Base	\$302,842,601	\$302,179,289	0.2
Non shared	591,372,565	583,884,876	1.3
Use Tax	44,555,885	51,114,139	(12.8)
Education Tax	107,400,441	0	N/A
Other Revenues	124,537,219	115,129,632	8.2
Total Collections	\$1,170,708,711	\$1,052,307,935	11.3

Distribution of Transaction Privilege, Severance and Use Tax Receipts

Of the distribution base portion of transaction privilege and severance taxes, described above, 25% is returned to incorporated cities/towns, 40.51% is returned to counties and 34.49% goes to the state general fund with the exception of mining severance tax. All of the non shared revenue and use tax is deposited into the general fund. Therefore, the "Retained By State" figure presented below includes all non shared portion of transaction privilege tax, use tax and 34.49% of the distribution base collections. The Education tax is distributed in accordance with prop 301. "Other" revenues are returned to the administering authority.

	September 2001	September 2000	% change
Retained by State	\$243,614,473	\$243,983,596	(0.2)
Returned to Counties	40,309,345	40,357,002	(0.1)
Returned to Cities	24,876,170	24,905,557	(0.1)
Education Tax	36,318,442	0	N/A
Other	41,602,404	38,632,140	7.7
Total Collections	\$386,720,834	\$347,878,294	11.2

	Fiscal Year Total (01/02)	Fiscal Year Total (00/01)	% change
Retained by State	\$740,344,189	738,678,854	0.2
Returned to Counties	122,702,981	122,747,899	0.0
Returned to Cities	75,723,880	75,751,550	0.0
Education Tax	107,400,441	0	N/A
Other	124,537,219	115,129,632	8.2
Total Collections	\$1,170,708,711	\$1,052,307,935	11.3

Transaction Privilege and Severance Tax Collections By Class

	Tax Rate	September 2001	% Chg	Fiscal Year Total	% Chg
Transporting/Towing	5.6	\$62,785	(86.2)	\$681,708	(49.8)
Non-Metal Mining/Oil & Gas	3.125%	560,319	(11.0)	1,777,463	(1.8)
Utilities	5.6%	30,102,331	(3.7)	88,192,357	1.4
Communications	5.6%	11,684,461	(3.4)	34,892,861	(1.8)
Railroads/Aircraft	5.6%	181,420	34.6	579,850	83.8
Private Car/Pipelines	5.6%	20,622	(42.5)	89,130	(69.6)
Publishing	5.6%	547,784	13.4	1,690,431	1.6
Printing	5.6%	1,613,748	(0.8)	4,561,161	(9.2)
Restaurants/Bars	5.6%	24,165,732	4.0	74,205,093	3.6
Amusements	5.6%	2,376,179	(0.4)	8,491,376	(5.7)
Commercial Lease	0%	45,604	(4.5)	120,710	(96.7)
Rental of Personal Property	5.6%	13,956,800	(2.2)	44,381,702	(0.4)
Contracting	3.75% - 5.6%	49,507,277	3.3	152,144,473	4.5
Feed Wholesale	Repealed	(51)	(87.4)	68	(31.1)
Retail	5.6%	153,516,134	1.6	462,860,177	1.2
Mining Severance	2.5%	4,927	(99.3)	111,069	(92.9)
Timber Severance	\$2.13/\$1.51 per 1000 board ft	34	(83.8)	12,025	3237.7
Hotel/Motel	5.5%	5,632,934	(6.5)	18,252,032	(2.9)
Membership Camping	5.6%	12,990	347.5	26,660	77.0

	Tax Rate	September 2001	% Chg	Fiscal Year Total	% Chg
Use/Use Inventory	5.6%	14,464,493	(12.0)	44,357,115	(13.1)
Rental Occupancy Tax	3.0%	10,189	37.9	34,138	53.0
Jet Fuel Tax	\$.0305/\$.0105 gal	317,070	(5.9)	1,062,115	(5.9)
Telecommunications Devices:	1.1				
Telecom. Fund for the Deaf	----	538,402	31.7	1,625,753	32.4
Poison Control Fund	----	199,135	31.7	601,306	32.4
911 Wireline/Excise *	\$0.37 monthly per activated service	1,241,296	89.1	3,344,226	67.1
911 Wireless Service *	\$0.37 monthly per activated service	665,884	109.7	1,603,818	157.6
Total		\$311,428,501	0.2	\$945,698,817	0.4

The Use/Use Inventory category shown on the previous page includes jet fuel use tax. These collections include only the individual classes of transaction privilege tax, severance tax and use tax. The total does not include license fees or any other fees collected by the Department.

* Effective July 1, 2001, the 911 taxes have changed. What was formerly called 911 Excise tax at 1.25% is now 911 Wireline at \$0.37 per month for each activated service. Additionally, 911 Wireless Service has also been changed from \$0.10 per month for each activated service to \$0.37.

Transaction Privilege and Severance Tax Taxable Sales By Class¹

	September 2001	% Chg	Fiscal Year Total	% Chg
Transporting/Towing	\$1,255,699	(86.2)	\$13,634,163	(49.8)
Non-Metal Mining/Oil & Gas	17,930,198	(11.0)	56,878,800	(1.8)
Utilities	602,046,616	(3.7)	1,763,847,135	1.4
Communications	233,689,218	(3.4)	697,857,219	(1.8)
Railroads/Aircraft	3,628,406	34.6	11,596,995	83.8
Private Car/Pipelines	412,440	(42.5)	1,782,596	(69.6)
Publishing	10,955,680	13.4	33,808,624	1.6
Printing	32,274,956	(0.8)	91,223,230	(9.2)
Restaurants/Bars	483,314,634	4.0	1,484,101,860	3.6
Amusements	47,523,587	(0.4)	169,827,513	(5.7)
Commercial Lease	3,320,758	13.5	10,184,730	(94.0)
Rental of Personal Property	279,136,010	(2.2)	887,634,042	(0.4)
Contracting	990,145,538	3.3	3,042,889,463	4.5
Feed Wholesale	(10,772)	(87.4)	14,420	(31.1)
Retail	3,070,322,685	1.6	9,257,203,540	1.2
Mining Severance	197,084	(99.3)	4,442,757	(92.9)
Timber Severance	28	N/A	766,676	N/A
Hotel/Motel	102,416,974	(6.5)	331,855,135	(2.9)
Membership Camping	259,801	347.5	533,203	77.0
Use/Use Inventory	286,236,629	(13.0)	886,179,923	(13.2)
Rental Occupancy Tax	339,645	37.9	1,137,936	53.0
Total	\$6,165,395,813	(0.4)	\$18,747,399,958	(0.5)

Telecommunications Devices, 911 Excise and 911 Wireless Service classifications previously listed in the collections table, are not elements of calculated taxable income and therefore, are not included in the above table. The Use/Use Inventory category shown above does not include jet fuel use tax. Since the jet fuel use tax is a gallonage tax, this too can not be computed as taxable income. A comparison can be made of gallons of jet fuel on which Arizona jet fuel tax or jet fuel use tax was paid. In September 2001, 15,401,041 gallons of jet fuel were taxed,

¹These Taxable Sales figures are calculated on a per return basis, by taking collections and dividing them by the appropriate tax rate. These figures may not match other Taxable Sales figures calculated on the aggregate.

a 36.5% increase from the 11,278,754 reported for September 2000. Timber Severance includes only sales subject to a repealed rate. The current tax is per board feet upon which taxable income cannot be computed.

Accounting Credit

Effective to taxable periods beginning from and after July 1, 1995, a credit equal to one percent of the amount of tax due, up to \$10,000 per calendar year, is allowed to businesses for expenses incurred during the accounting and reporting of Transaction Privilege Tax. The amount of accounting credits claimed in September 2001 was \$1,343,300 a 7.9% increase from the \$1,245,432, claimed in September 2000. Accounting credits claimed-to-date in FY 01/02 equals \$4,123,447 a 6.3% increase from the \$3,877,944 a claimed during the same period in FY 00/01.

Taxable Sales by SIC Code Range

The taxable sales by SIC (Standard Industrial Classification) Code ranges are an indicator of business occurring for that type of retail sale. Certain limitations must be understood when using this information.

The Department of Revenue assigns a SIC code to a business based on its primary type of business activity. A grocery store would be assigned a SIC code of 5411. A business that deals primarily with dairy products would have a SIC code of 5451. A problem arises with businesses which derive revenue from multiple business activities. For example, a store like Fry's might be considered both a grocery store and a department store; however, all revenue would be reported under only one of the two possible codes. In summary, an accurate description of what this information represents would be: "These figures represent taxable retail sales for those businesses which have a primary SIC code falling within one designated range."

If the taxable sales for these ranges were added together, the total would not equal retail taxable sales. This is again due to the primary SIC code assignment. There are businesses making retail sales which do not have a primary retail SIC code.

<u>SIC Code</u> <u>Range</u>	<u>Description</u>	<u>September 2001</u>	<u>September 2000</u>	<u>% Chg</u>
5211-5271	building materials, hardware, garden supply & mobile home dealers	\$163,331,537	\$145,809,897	12.0
5311-5399	general merchandise stores	294,621,767	291,277,245	1.1
5411-5499	food stores (no food sales)	232,130,513	241,668,288	(3.9)
5511-5521	motor vehicle dealers	650,323,329	601,195,877	8.2
5531-5599	misc. automotive, motorcycle & boat stores	156,894,769	156,271,154	0.4
5611-5699	apparel & accessory stores	176,132,092	171,303,677	2.8
5712-5733	furniture, home furnishings & equipment stores	157,303,646	167,751,294	(6.2)
5912-5949	misc. retail stores	182,281,116	181,400,800	0.5
TOTAL		\$3,070,322,685	\$3,022,685,888	1.6

<u>SIC Code</u> <u>Range</u>	<u>Description</u>	<u>FY 2002</u>	<u>FY 2001</u>	<u>% Chg</u>
5211-5271	building materials, hardware, garden supply & mobile home dealers	\$537,042,494	\$491,159,729	9.3
5311-5399	general merchandise stores	859,170,640	856,677,698	0.3
5411-5499	food stores (no food sales)	695,951,844	730,378,284	(4.7)
5511-5521	motor vehicle dealers	1,877,746,405	1,770,240,271	6.1
5531-5599	misc. automotive, motorcycle & boat stores	510,921,325	477,666,780	7.0
5611-5699	apparel & accessory stores	535,616,691	507,569,067	5.5
5712-5733	furniture, home furnishings & equipment stores	470,160,373	495,099,807	(5.0)
5912-5949	misc. retail stores	567,348,960	571,632,894	(0.7)
TOTAL		\$9,257,203,540	\$9,143,755,698	1.2

Transaction Privilege and Severance Tax Returned to Counties

Taxpayers reported the following taxable transactions and tax collections by county. The share of the revenues returned to each county for September 2001 is shown in the County Share column.

	Dist. Base Collections	County Share	% of Total	FYTD County Share	% Chg
Apache	\$280,434	\$317,793	0.8	\$949,673	(32.6)
Cochise	1,381,656	716,020	1.8	2,196,898	(5.7)
Coconino	3,188,851	1,231,646	3.1	3,745,561	(0.8)
Gila	787,795	348,375	0.9	1,044,867	0.3
Graham	332,865	191,897	0.5	588,264	(3.5)
Greenlee	180,075	136,352	0.3	495,549	(38.5)
La Paz	237,734	121,131	0.3	354,505	(0.1)
Maricopa	66,739,868	25,747,126	63.9	78,593,097	1.8
Mohave	2,354,944	1,049,932	2.6	3,220,923	(2.2)
Navajo	1,579,413	677,800	1.7	2,067,861	0.6
Pima	15,450,856	6,214,822	15.4	18,629,731	(2.7)
Pinal	1,558,883	985,424	2.4	3,036,115	(1.4)
Santa Cruz	587,664	260,205	0.6	789,263	0.1
Yavapai	3,062,081	1,356,537	3.4	4,092,824	(2.2)
Yuma	1,781,559	954,286	2.4	2,897,851	7.4
Total	\$99,504,678	\$40,309,345		\$122,702,981	0.0

Transaction Privilege and Severance Tax Returned to Cities/Towns

The portion of transaction privilege and severance tax returned to each incorporated city or town for September 2001 is shown on Table 3, attached to this report.

County Tax Collections

The following county-imposed tax collections were received by the Department of Revenue during September 2001 and returned to the counties. County taxes in all but Coconino County are imposed at 10% of the state transaction privilege tax rate. Coconino's Excise Tax is 10% of the state rate, and its Jail Tax is 6% of the state rate. The stadium tax was imposed at 5% of the state rate. This rate completed its run in December 1997. Collections received now should be for prior periods. The rental car surcharge in Maricopa County is \$2.50 per car and in Pima County is \$3.50 per car. The RV Surcharge is \$0.50/day on each lease or rental of a parking space for recreational vehicles.

	Road Tax	Excise Tax	Jail Tax	Rental Car Surcharge	Stadium Tax	RV Surcharge	Hospital Tax	Capitol Projects	Tourism Authority
Apache		\$89,798							
Cochise		\$405,690							
Coconino		\$879,470	\$527,174						
Gila	\$252,857	\$248,826					\$0		
Graham		\$98,497							
Greenlee		\$54,558							
La Paz		\$71,406	\$71,406						
Maricopa	\$21,432,994		\$8,013,424	\$450,018	\$9,002				\$959,055
Mohave		\$355,550							
Navajo		\$454,401							
Pima				\$107,556		\$7,834			
Pinal	\$545,804	\$534,638							
Santa Cruz		\$167,332							
Yavapai		\$918,228	\$365,390						
Yuma		\$577,374	\$577,359					\$571,197	

OTHER TAXES

Luxury Taxes

The following revenues were received from luxury taxes in September 2001. The table compares the receipts to September 2000 and also compares fiscal year (FY) totals. Figures may not add to total due to rounding.

	September 2001	September 2000	% Change
Spirituos	\$1,597,118	\$1,658,486	(3.7)
Vinous	507,258	626,149	(19.0)
Malt	2,111,635	1,854,226	13.9
Cigarette	15,970,566	13,748,554	16.2
Other Tobacco	264,838	232,262	14.0
Tobacco Licenses	200	625	(68.0)
Total	\$20,451,614	\$18,120,302	12.9

	Fiscal Year Total (01/02)	Fiscal Year Total (00/01)	% Change
Spirituos	\$4,664,043	\$4,638,083	0.6
Vinous	1,589,775	1,584,305	0.3
Malt	5,428,840	5,568,894	(2.5)
Cigarette*	40,876,348	39,583,751	3.3
Other Tobacco	947,657	778,458	21.7
Tobacco Licenses	1,250	4,300	(70.9)
Total	\$53,507,913	\$52,157,791	2.6

*Through September 2001, \$393,800 of Cigarette and Tobacco tax collections has been allocated for administrative expenses and is not reflected in fiscal year collections.

General Fund revenues from luxury taxes:

	September 2001	FY (01/02)
Spirituos	\$1,117,983	\$3,264,830
Vinous	126,420	396,447
Malt	527,908	1,357,210
Cigarette	4,407,769	11,463,578
Other Tobacco	41,050	146,887
Tobacco Licenses	200	1,250
Total	\$6,221,330	\$16,630,202

Other dedicated revenues from luxury taxes:

	September 2001	FY (01/02)
Correction Fund revenues	\$2,220,102	\$6,019,957
Health Care Fund revenues	11,194,564	28,633,708
Wine Promotional Fund revenues	1,577	3,984
Drug Treatment & Education Fund revenues	582,915	1,589,116
Corrections Revolving Fund revenues	231,126	630,945

Estate Tax

	September 2001	\$5,287,007	Fiscal year To Date	\$18,897,716
	September 2000	\$7,265,687	Fiscal year To Date	\$18,421,833
% Change		(27.2%)	% Change	2.6%

Private Car

	September 2001	\$0	Fiscal year To Date	\$0
	September 2000	\$30	Fiscal year To Date	\$1,318
% Change		N/A	% Change	N/A

Bingo

	September 2001	\$24,076	Fiscal year To Date	\$144,331
	September 2000	\$35,339	Fiscal year To Date	\$151,268
% Change		(31.9%)	% Change	(4.6%)

Unclaimed Property

	September 2001	(\$78,998)	Fiscal year To Date	\$760,149
	September 2000	\$26,451	Fiscal year To Date	\$1,181,999
% Change		N/A	% Change	(35.7%)

Please note that some totals throughout Tax Facts may not add due to rounding.

SOURCE: THE OFFICE OF ECONOMIC RESEARCH & ANALYSIS, ARIZONA DEPARTMENT OF REVENUE

TABLE 1
“New” Returns Filed in 2001 for Tax Year 2000
Through September 2001

Federal Adjusted Gross Income Bracket	Number of Returns	% of Total	Average FAGI	Average Tax Due	CHARACTERISTICS OF TAXPAYERS					
					% Married Joint	% Single	% Unmarried Head	% Married Separate	% Over 65	% With Dependents
Negative FAGI	1,283	0.5%	-\$21,265	\$1	21.1%	70.0%	5.3%	3.6%	15.3%	11.5%
\$0-\$5,000	53,308	22.6%	\$2,735	\$1	3.0%	87.5%	8.6%	0.9%	2.6%	11.7%
\$5,000-\$10,000	51,702	21.9%	\$7,371	\$31	6.6%	72.7%	19.2%	1.4%	5.6%	25.8%
\$10,000-\$15,000	35,648	15.1%	\$12,371	\$97	13.9%	54.5%	29.7%	2.0%	9.1%	39.6%
\$15,000-\$20,000	26,126	11.1%	\$17,324	\$179	21.6%	45.7%	29.9%	2.8%	10.3%	43.1%
\$20,000-\$25,000	17,008	7.2%	\$22,337	\$300	24.7%	43.7%	27.8%	3.7%	8.6%	43.9%
\$25,000-\$30,000	11,483	4.9%	\$27,349	\$429	28.6%	43.6%	23.0%	4.8%	8.1%	41.9%
\$30,000-\$40,000	13,983	5.9%	\$34,485	\$598	36.8%	39.7%	19.0%	4.5%	8.9%	41.7%
\$40,000-\$50,000	8,134	3.4%	\$44,623	\$828	48.1%	34.1%	14.5%	3.3%	11.5%	43.0%
\$50,000-\$75,000	10,170	4.3%	\$60,285	\$1,212	62.4%	25.2%	9.9%	2.4%	13.9%	43.7%
\$75,000-\$100,000	3,703	1.6%	\$85,477	\$1,897	71.7%	19.0%	7.4%	1.9%	16.1%	43.8%
\$100,000-\$200,000	2,784	1.2%	\$132,197	\$3,542	71.7%	20.7%	5.6%	2.0%	19.3%	40.0%
\$200,000-\$500,000	601	0.3%	\$283,868	\$9,780	66.2%	24.6%	6.3%	3.0%	20.8%	35.6%
\$500,000-\$1,000,000	100	0.0%	\$670,715	\$41,670	62.0%	26.0%	8.0%	4.0%	30.0%	29.0%
\$1,000,000 and over	49	0.0%	\$2,345,706	\$116,298	51.0%	36.7%	8.2%	4.1%	34.7%	28.6%
Total	236,082		\$19,411	\$338	18.7%	59.8%	19.4%	2.2%	7.5%	31.5%

NEW RETURNS FILED IN 2000 FOR TAX YEAR 1999

Total	223,341		\$18,902	\$336	18.9%	60.2%	18.5%	2.4%	7.5%	30.2%
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“NEW” Returns means that there was no return filed by the taxpayer in the previous filing year. This may or may not mean the filer is new to the state.

TABLE 2
Urban Revenue Sharing Returned to Cities/Towns
September 2001

City	Distribution	Population	City	Distribution	Population
<u>Apache County</u>			Scottsdale	\$1,762,689	202,705
Eagar	\$35,070	4,033	Surprise	268,249	30,848
Springerville	17,148	1,972	Tempe	1,379,377	158,625
St. Johns	28,427	3,269	Tolleson	43,253	4,974
<u>Cochise County</u>			Wickenburg	44,192	5,082
Benson	40,966	4,711	Youngtown	26,174	3,010
Bisbee	52,958	6,090	<u>Mohave County</u>		
Douglas	124,455	14,312	Bullhead City	293,650	33,769
Huachuca City	15,226	1,751	Colorado City	28,992	3,334
Sierra Vista	328,485	37,775	Kingman	174,517	20,069
Tombstone	13,079	1,504	Lake Havasu City	364,686	41,938
Willcox	32,462	3,733	<u>Navajo County</u>		
<u>Coconino County</u>			Holbrook	42,757	4,917
Flagstaff	459,957	52,894	Pinetop-Lakeside	31,148	3,582
Fredonia	9,009	1,036	Show Low	66,914	7,695
Page	59,210	6,809	Snowflake	38,783	4,460
Williams	24,714	2,842	Taylor	27,618	3,176
<u>Gila County</u>			Winslow	82,784	9,520
Globe	65,097	7,486	<u>Pima County</u>		
Hayden	7,757	892	Marana	117,881	13,556
Miami	16,835	1,936	Oro Valley	258,266	29,700
Payson	118,437	13,620	Sahuarita	28,192	3,242
Winkelman	3,852	443	South Tucson	47,740	5,490
<u>Graham County</u>			Tucson	4,232,254	486,699
Pima	17,296	1,989	<u>Pinal County</u>		
Safford	80,280	9,232	Apache Junction	276,649	31,814
Thatcher	34,975	4,022	Casa Grande	219,344	25,224
<u>Greenlee County</u>			Coolidge	67,706	7,786
Clifton	22,574	2,596	Eloy	90,219	10,375
Duncan	7,061	812	Florence	148,299	17,054
<u>La Paz County</u>			Kearny	19,557	2,249
Parker	27,305	3,140	Mammoth	15,322	1,762
Quartzsite	29,166	3,354	Superior	28,296	3,254
<u>Maricopa County</u>			<u>Santa Cruz County</u>		
Avondale	312,033	35,883	Nogales	181,552	20,878
Buckeye	56,845	6,537	Patagonia	7,661	881
Carefree	25,453	2,927	<u>Yavapai County</u>		
Cave Creek	32,418	3,728	Camp Verde	82,184	9,451
Chandler	1,535,519	176,581	Chino Valley	68,132	7,835
El Mirage	44,105	7,609	Clarkdale	29,757	3,422
Fountain Hills	175,960	20,235	Cottonwood	79,819	9,179
Gila Bend	17,218	1,980	Jerome	2,861	329
Gilbert	953,907	109,697	Prescott	295,119	33,938
Glendale	1,902,753	218,812	Prescott Valley	204,656	23,535
Goodyear	164,447	18,911	Sedona	88,628	10,192
Guadalupe	45,462	5,228	<u>Yuma County</u>		
Litchfield Park	33,131	3,810	San Luis	133,238	15,322
Mesa	3,446,811	396,375	Somerton	63,184	7,266
Paradise Valley	118,820	13,664	Wellton	15,905	1,829
Peoria	942,315	108,364	Yuma	674,058	77,515
Phoenix	11,487,589	1,321,045			
Queen Creek	37,531	4,316	TOTAL	\$35,156,381	4,045,436

TABLE 3
Transaction Privilege and Severance Tax Returned to Cities/Towns
September 2001

City	Distribution	Population	City	Distribution	Population
<u>Apache County</u>			Scottsdale	\$1,246,472	202,705
Eagar	\$24,800	4,033	Surprise	189,690	30,848
Springerville	12,126	1,972	Tempe	975,415	158,625
St. Johns	20,102	3,269	Tolleson	30,586	4,974
<u>Cochise County</u>			Wickenburg	31,250	5,082
Benson	28,969	4,711	Youngtown	18,509	3,010
Bisbee	37,449	6,090	<u>Mohave County</u>		
Douglas	88,007	14,312	Bullhead City	207,652	33,769
Huachuca City	10,767	1,751	Colorado City	20,501	3,334
Sierra Vista	232,286	37,775	Kingman	123,408	20,069
Tombstone	9,248	1,504	Lake Havasu City	257,885	41,938
Willcox	22,955	3,733	<u>Navajo County</u>		
<u>Coconino County</u>			Holbrook	30,236	4,917
Flagstaff	325,255	52,894	Pinetop/Lakeside	22,026	3,582
Fredonia	6,371	1,036	Show Low	47,318	7,695
Page	41,870	6,809	Snowflake	27,425	4,460
Williams	17,476	2,842	Taylor	19,530	3,176
<u>Gila County</u>			Winslow	58,540	9,520
Globe	46,033	7,486	<u>Pima County</u>		
Hayden	5,485	892	Marana	83,358	13,556
Miami	11,905	1,936	Oro Valley	182,631	29,700
Payson	83,752	13,620	Sahuarita	19,936	3,242
Winkelman	2,724	443	South Tucson	33,759	5,490
<u>Graham County</u>			Tucson	2,992,806	486,699
Pima	12,231	1,989	<u>Pinal County</u>		
Safford	56,769	9,232	Apache Junction	195,630	31,814
Thatcher	24,732	4,022	Casa Grande	155,107	25,224
<u>Greenlee County</u>			Coolidge	47,878	7,786
Clifton	15,963	2,596	Eloy	63,798	10,375
Duncan	4,993	812	Florence	104,868	17,054
<u>La Paz County</u>			Kearny	13,830	2,249
Parker	19,308	3,140	Mammoth	10,835	1,762
Quartzsite	20,624	3,354	Superior	20,009	3,254
<u>Maricopa County</u>			<u>Santa Cruz County</u>		
Avondale	220,652	35,883	Nogales	128,383	20,878
Buckeye	40,197	6,537	Patagonia	5,417	881
Carefree	17,999	2,927	<u>Yavapai County</u>		
Cave Creek	22,924	3,728	Camp Verde	58,116	9,451
Chandler	1,085,831	176,581	Chino Valley	48,179	7,835
El Mirage	46,789	7,609	Clarkdale	21,043	3,422
Fountain Hills	124,429	20,235	Cottonwood	56,443	9,179
Gila Bend	12,175	1,980	Jerome	2,023	329
Gilbert	674,548	109,697	Prescott	208,691	33,938
Glendale	1,345,517	218,812	Prescott Valley	144,721	23,535
Goodyear	116,287	18,911	Sedona	62,673	10,192
Guadalupe	32,148	5,228	<u>Yuma County</u>		
Litchfield Park	23,428	3,810	San Luis	94,218	15,322
Mesa	2,437,387	396,375	Somerton	44,680	7,266
Paradise Valley	84,023	13,664	Wellton	11,247	1,829
Peoria	666,351	108,364	Yuma	476,655	77,515
Phoenix	8,123,362	1,321,045	TOTAL	\$24,876,170	4,045,436
Queen Creek	26,540	4,316			

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